

Family Support Newsletter

"News You Can Use"



Get Fiscally Fit!!!!

CREDIT REPORT TIDBITS

- Equifax 800-685-1111
www.equifax.com
- Experian 888-experian
www.experian.com
- Trans Union: 800-916-8800
www.transunion.com
- By Federal law, you are entitled to one free credit report per year directly from a credit reporting agency only if you certify that:
 - you are unemployed and seeking employment in the next 60 days.
 - you are receiving public assistance.
 - you believe there are inaccuracies in your report due to fraud.

Also, if you are denied credit on the basis of information in a credit report you are entitled to a free copy of your report from the credit bureau that supplied the credit report.

- Residents of Colorado, Maryland, Massachusetts, New Jersey, and Vermont are entitled by state law to one free report from a credit reporting agency per year. Georgia residents are entitled to two per year.

Ten Rules For Prioritizing Debt Repayments

In today's economy, many families are faced with higher debt, decreased income and choices to make each month on how to best direct limited financial resources. The National Consumer Law Center (www.nclc.org) in their publication, "Surviving Debt" suggests the following 10 rules*, however, remember to use your own individual circumstances as your ultimate guide.

1. Family necessities. This covers food and essential medical expenses.
2. Housing. Keep mortgage or rent payments current.
3. Essential utilities. Working to keep a home is of little consequence if it is uninhabitable.



Good financial management skills are usually learned as a result of previous mistakes.

4. Car loan or lease. If your car is essential to your ability to earn a living, you may need to pay this account first.
5. Child Support. Non-payment can result in serious penalties including imprisonment.
6. Income Tax. The government has collection rights not afforded other creditors.

7. Unsecured debt. This includes credit cards and hospital bills. They should be lower priority in the short term.
8. Student Loans. These should be given medium priority but remember that the government has additional collection rights.
9. Refinancing. This is rarely the answer. It can be expensive and give the creditors the opportunity to seize assets.
10. Do not move debts up in payment priority based on threats from creditors.

(*Visit www.nclc.org for a complete explanation and additional rules.)

720

550

CREDIT SCORES

640

800

In determining your creditworthiness, most lenders (and even some employers) will also review your credit score along with your credit report. A credit score is a mathematical calculation that evaluates the many types of information contained in your credit report.

The scores are often called "FICO" scores because of the software used to develop them by Fair Isaac and Company. Lenders view FICO scores as a good guide to future risk. The higher the FICO score, the lower the risk. Each of the three major credit reporting agencies use a different name for their FICO scores: Equifax (BEACON), Experian (Experian/Fair Isaac Risk Model),

and TransUnion (EMPIRICA).

FICO scores have 3-digits and are generally between 300 and 800 with scores above 700 being considered the top tier. Increasing your FICO scores can be increased by correcting errors in your credit report, making on-time payments and decreasing your income-to-debt ratio. Remember that there is no magic fix. Be wary of companies that claim they can "clean-up or repair" your credit. The Federal Trade Commission (www.ftc.gov) has information on their website regarding these unethical practices and steps to self-help.

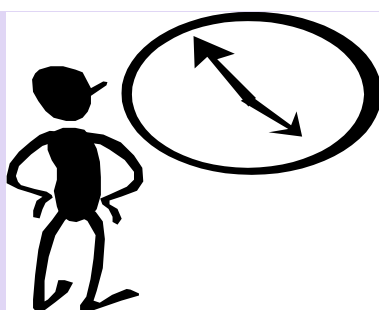
AF Financial Management Programs

The Air Force's Personal Financial Management Program (PFMP) provides education, information, and individual counseling on a wide variety of financial matters. One-on-one spending plan analysis and financial management counseling to identify financial concerns and assist in developing immediate and long range financial plans is available to activated reservists through Ft. McPherson's Army Community Service Center or

your closest active duty Family Support Center. The Dobbins FSC provides information and referral on financial management and often provides workshops on subjects such as home buying and budgeting.

For more information contact the Army Community Service Center at 404-464-4070 or the Dobbins FSC at 678-655-5004. Metro-Atlanta Consumer Credit Counseling can be reached at 404-527-7630.

Timelines and Your Credit



Accurate information in your credit file can only be removed through the passage of time. Negative information remains for a period of seven years from the date of the delinquency. Exceptions include:

- Bankruptcy's stay on file 10 years;
- Information reported in response to a job application with a salary greater than 75k has no time limit;
- Information on criminal convictions has no time limit;
- Information reported for an application for life or credit insurance more than 150K has no time limit; and
- Information on a lawsuit or judgment can be reported until the statute of limitations of said case runs out.

MONEY 101 WEBSITES

Description

Website

Clark Howard	www.clarkhoward.com
Air Force Crossroads	www.afcrossroads.com
CBS Market Watch - Latest Market Info	cbs.marketwatch.com/news
Credit Counseling Service	www.cccs-inc.org/
Free online financial education program for grades 9-12.	www.2020Green.com
Investment Frequently Asked Questions	www.invest-faq.com/
Money Management for Women with a focus on life stages	www.ivillagemoneylife.com/
Jump\$tart! Financial Smarts for Students	www.jumpstartcoalition.org/
Money Matters for Students	www.smartcredittips.com/
NAIC: Learn about Investment Clubs	www.better-investing.org/
National Council on Economic Education with online money management lessons	www.econedlink.org/
Planet Orange introduces children to the world of money	www.orangekids.com
Sign up for college money parenting tips	www.collegemoney.com
Social Security Online for Women	www.ssa.gov/women/
Teens can learn about buying a car, credit cards, and finance	www.consumerjungle.org
Wall Street Journal Classroom Edition	public.wsj.com/home.html

On 24 November 2003, cell phone number portability goes into effect. This means that you can switch to carriers with the best money-saving deals and still keep your same cell phone number. Visit www.fcc.gov for more details.